

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K/A
(Amendment No. 1)

(Mark One)

 X ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended November 30, 2003

 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to .

Commission file number 0-11631



JUNO LIGHTING, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)

36-2852993
(I.R.S. Employer Identification No.)

1300 S. Wolf Road
P.O. Box 5065
Des Plaines, Illinois

60017-5065
(Zip code)

(Address of principal executive offices)

Registrant's telephone number, including area code: (847) 827-9880

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Common Stock, \$.001 par value

Name of each exchange on which registered
The NASDAQ SmallCap Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Yes X No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act).

Yes No X

Aggregate market value of voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold as of the last business day of the most recently completed second fiscal quarter, May 31, 2003: \$22,861,884.

At January 31, 2004, 2,601,939 shares of common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

EXPLANATORY NOTE

Juno Lighting, Inc. (the "Company") is filing this Amendment No. 1 to its Annual Report on Form 10-K for the fiscal year ended November 30, 2003, originally filed February 26, 2004 (the "Form 10-K"), principally to amend specific items of the Form 10-K to reflect a revision in legal proceedings and the change in classification of the Company's Series A and B preferred stock outside of permanent equity in the Company's financial statements as the redemption of such preferred stock is outside of the Company's control, which was previously classified as permanent equity, in accordance with the guidance of Emerging Issues Task Force Topic No. D-98 "Classification and Measurement of Redeemable Securities." See Note 16 to the consolidated financial statements. In addition the Company has enhanced certain previously included disclosures within the summary of significant accounting policies, series A and B preferred stock and guarantors' financial information footnotes (see Notes 1, 11 and 15 respectively). The changes in classification had no effect on the Company's net income, earnings per share or cash flows. This Amendment No. 1 amends only portions of the Form 10-K; the remainder of the Form 10-K is unchanged and is not reproduced in this Amendment No. 1. This Amendment No.1 does not reflect events occurring after the original filing of the Form 10-K.

This Amendment No. 1 contains changes to the following disclosures:

- Part I - Item 3. Legal Proceedings
- Part II - Item 6. Selected Financial Data
- Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations
- Part II - Item 8. Financial Statement and Supplementary Data
- Part IV - Item 15. Exhibits, Financial Statement Schedules, and Reports on Form 8-K.

PART I

ITEM 3. LEGAL PROCEEDINGS

In the ordinary course of business, there are various claims and lawsuits brought by or against the Company. In the opinion of management, the ultimate outcome of these matters will not materially affect the Company's operations or financial position.

On or about May 17, 2002, Juno filed a Complaint against U.S. Industries, Inc. in the Superior Court of the State of Delaware in and for New Castle County and issued written discovery to U.S. Industries. In the Complaint, Juno alleged that U.S. Industries breached an exclusivity agreement with Juno related to a proposed acquisition, by engaging in negotiations with another company, Hubbell Incorporated, during an exclusivity period with Juno. The Complaint sought damages of \$8,500,000 based on a liquidated damages provision contained in the exclusivity agreement to cover expenses incurred and additional losses by Juno, as well as attorneys' fees and costs. U.S. Industries has answered the Complaint and denied liability. After performing discovery, the parties filed a stipulation of dismissal.

PART II

ITEM 6. SELECTED FINANCIAL DATA

FINANCIAL HIGHLIGHTS

(in thousands except per share amounts)

Year ended November 30,	2003	2002	2001	2000	1999
Net Sales	\$200,566	\$181,770	\$179,947	\$173,988	\$167,458
Gross Profit	100,633	90,745	91,144	85,565	83,526
Net Income	16,931	11,767	9,344	7,381	18,022
Net Income (Loss) Available to Common Shareholders	5,367	1,084	(526)	(1,717)	13,740
Net Income (Loss) Per Common Share					
Basic	2.11	.43	(.21)	(.71)	1.23
Diluted	2.11	.43	(.21)	(.71)	1.23
Cash Dividends Per Common Share	-	-	-	-	.20
Total Assets	131,964	123,852	119,143	117,434	130,634
Long - Term Debt	144,734	155,626	167,742	182,665	206,793
Redeemable Preferred Stock	151,847	140,283	129,600	119,730	110,282
Stockholders' Deficit (Restated(3))	(207,291)	(215,434)	(217,150)	(216,498)	(214,439)
Working Capital (1)	28,390	20,878	20,217	30,094	42,722
Current Ratio (2)	1.7 to 1	1.5 to 1	1.6 to 1	2.0 to 1	2.6 to 1

(1) Defined as total Current Assets minus total Current Liabilities.

(2) Defined as total Current Assets divided by total Current Liabilities.

(3) The Company has restated its financial statements to change the classification of Series A and B preferred stock, which had previously been classified as part of permanent equity. The change in classification only affected the balance sheet classification of the preferred stock and had no effect on net income, earnings per share or cash flows. See Note 16 in Notes to Consolidated Financial Statements.

Both Working Capital and Current Ratio as defined above are important and relevant measurements given the Company's current capital structure and level of outstanding debt. In order to maximize debt reduction the Company must focus on sales growth, earnings and minimizing working capital.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Summary Of Significant Accounting Policies

Use Of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Revenues from sales are recognized at the time goods are shipped. All shipments are FOB shipping point. A contemporaneous generation of invoices set up the fixed and determinable price. Freight billed to our customers is not considered material and has been netted against selling expense. Shipping and handling costs are included in Selling, General and Administrative costs on the income statement.

Goodwill

The Company adopted SFAS 142 "Goodwill and Other Intangibles" during fiscal 2002. The Company reviews goodwill for impairment during the fourth quarter of each year. No events have occurred, nor has there been a change in circumstances, that would reduce the fair value of the reporting unit below its carrying amount. Furthermore, the Company has not amortized any of its goodwill subsequent to the adoption of SFAS 142 in 2002.

Income Taxes

The Company uses the asset and liability approach under which deferred taxes are provided for temporary differences between the financial reporting and income tax bases of assets and liabilities based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. The Company has recognized a one-time tax benefit of \$1,300,000 during the third quarter as a result of the closing of certain tax years.

Stock-Based Compensation

As permitted by Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123"), the Company has elected to continue to account for its stock-based awards in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB 25").

Derivative Instruments

Changes in the fair value of derivatives are recorded each period in current earnings or other comprehensive income, depending on whether a derivative is designated as part of a hedge transaction and, if it is, the type of hedge transaction. The Company entered into two interest rate swap agreements in fiscal 2001 (notional amounts of \$30,000,000 pay-fixed rate swap (expired April, 2003) and \$60,000,000 pay-floating rate swap (expiring July, 2009)), which resulted in net unrealized gains of \$422,000 and \$418,000 for the years ending November 30, 2003 and 2002 respectively. These derivatives do not qualify for hedge accounting. Accordingly, the net impact was recorded as other income on the consolidated statements of income for fiscal 2003 and 2002. The Company also realized a gain of \$1,549,000 for the fiscal year ended November 30, 2002 as a result of exiting an interest rate swap transaction. The Company entered into these agreements to reduce the risk of adverse changes in variable interest rates on certain of the long-term debt. These derivative instruments will be adjusted to estimated market values quarterly with any adjustment impacting current earnings until their respective maturities.

Contractual Obligations and Commitments

The Company has a senior credit facility (the "Senior Credit Facility") with Bank of America, N.A., Credit Suisse First Boston and certain other lenders providing (i) a \$90 million term facility consisting of a (a) \$40 million tranche A term loan ("Term Loan A"), and (b) \$50 million tranche B term loan ("Term Loan B"), and (ii) a \$35 million revolving credit facility (the "Revolving Credit Facility").

In addition, the Company issued \$125 million principal amount of 11-7/8% senior subordinated notes due July 1, 2009 (the "Notes") to qualified institutional buyers under a private placement offering pursuant to Rule 144A and Regulation S of the Securities Act of 1933, which notes were then exchanged for new notes registered under the Securities Act of 1933 with substantially identical economic terms, resulting in approximately \$120.4 million in proceeds to the Company.

The Company also has noncancelable operating leases for distribution warehouse space and equipment.

The following table summarizes the timing of principal payments on outstanding borrowings and contractual lease obligations:

		Payments Due by Period					
	Total	2004	2005	2006	2007	2008	2009
Borrowings(1)	\$ 147,653	\$ 2,919	\$ 3,605	\$ 16,746	\$ -	\$ -	\$ 124,383
Operating lease commitments(2)	2,779	1,584	872	240	54	29	-
Total Contractual Obligations	\$ 150,432	\$ 4,503	\$ 4,477	\$ 16,986	\$ 54	\$ 29	\$ 124,383

(1) Liability recorded on the balance sheet. See Note 7 for additional details.

(2) Commitment not recorded on the balance sheet. See Note 13 for additional details.

Results of Operations

This document contains various forward-looking statements. Statements in this document that are not historical are forward-looking statements. Such statements are subject to various risks and uncertainties that could cause actual results to vary materially from those stated. Such risks and uncertainties include: economic conditions generally, levels of construction and remodeling activities, the ability to improve manufacturing and operating efficiencies, disruptions in manufacturing or distribution, product and price competition, raw material prices, the ability to develop and successfully introduce new products, technology changes, patent issues, exchange rate fluctuations, and other risks and uncertainties. The Company undertakes no obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future events or developments.

Fiscal 2003 Compared to Fiscal 2002. For the fiscal year ended November 30, 2003, net sales increased approximately \$18.8 million or 10.3% to \$200,566,000 from \$181,770,000 for the like period in 2002. Approximately 40% of the consolidated sales increase was due to new product introductions, approximately 35% was from Alfa Lighting, which was acquired by Juno in October 2002, with the remainder due primarily to volume increases (including new channels of distribution). This increase was net of sales decreases totaling \$5.07 million, of which, approximately 50% was from the Indy Lighting division and 50% was from price competition in commercial markets. Sales through Juno's Canadian subsidiary (which includes the Acculite division acquired in August 2001) increased 10.9% to \$17,881,000 for the fiscal year ended November 30, 2003 compared to \$16,122,000 for the like period in 2002.

Gross profit expressed as a percentage of sales increased to 50.2% in fiscal 2003 compared to 49.9% in fiscal 2002 due primarily to margin contribution from Alfa Lighting.

Selling, general and administrative expenses increased \$7.3 million to \$61,031,000 (30.4% of sales) in fiscal 2003 compared to \$53,760,000 (29.6% of sales) in fiscal 2002. Of this increase, approximately 30% was due to expenses from the Alfa division, which was acquired in October 2002, approximately 20% was due to the provision for the fiscal 2003 management incentive program, approximately 10% was attributed to sales and administrative salaries, approximately 10% was attributed to expenses associated with developing new channels of distribution, and approximately 10% was attributed to product development expenses with the remainder due primarily to variable expenses.

In addition, operating expenses for fiscal 2002 included \$3,050,000 of one-time expenses incurred in connection with a proposed major acquisition that was not consummated.

Interest expense was \$15,605,000 for fiscal 2003 compared to \$16,907,000 for 2002. This decrease is due to the reduction in debt from \$166,357,000 at November 30, 2002 to \$153,353,000 at November 30, 2003, reductions in interest rates on the Company's floating rate debt and the net effect of interest rate swaps.

The effective income tax rate for fiscal 2003 was 31.2% compared to 38.4% for fiscal 2002. This decline was primarily due to the recognition of a one-time tax benefit of \$1,300,000 in the third quarter of 2003 as a result of the closing of certain tax years and to a lesser extent effective state tax planning initiatives.

Fiscal 2002 Compared to Fiscal 2001. For the fiscal year ended November 30, 2002, net sales increased approximately \$1,823,000 or 1.0% to \$181,770,000 from \$179,947,000 for the like period in 2001 due primarily to new products introduced over the past year and the full year impact of the Acculite product line acquired in August 2001, offset by lower volumes in some of the Company's commercial product lines and selling price pressure. Sales through Juno's Canadian subsidiary (which includes the Acculite division acquired in August 2001) increased 28.5% to \$16,122,000 for the fiscal year ended November 30, 2002 compared to \$12,548,000 for the like period in 2001.

Gross profit expressed as a percentage of sales decreased to 49.9% in fiscal 2002 compared to 50.7% in fiscal 2001. This decrease was due primarily to unfavorable sales mix and a more competitive selling price environment, which were offset, to some degree, by favorable purchase price variances on the Company's principal raw materials.

Selling, general and administrative expenses expressed as a percentage of sales decreased to 29.6% in fiscal 2002 compared to 31.2% in fiscal 2001. This decrease of approximately \$2,200,000 was due primarily to one-time expenses incurred in 2001 of approximately \$1,350,000 for a process re-engineering project and approximately \$2,000,000 for a non-recurring sales promotion program designed to increase revenue. The decrease was offset in part by an \$828,000 increase in expenses from the Acculite division, which was acquired in August 2001. The Company also incurred one-time expenses of approximately \$3,050,000 in connection with a proposed major acquisition that was not consummated.

Interest expense was \$16,907,000 for fiscal 2002 compared to \$19,930,000 for 2001. This decrease is due to the reduction in debt from \$176,803,000 at November 30, 2001 to \$166,357,000 at November 30, 2002, reductions in interest rates on the Company's floating rate debt and the net effect of interest rate swaps.

Inflation While management believes it has generally been successful in controlling the prices it pays for materials and passing on increased costs by increasing its prices, no assurances can be given as to the Company's future success in limiting material price increases or that it will be able to fully reflect any material price increases in the prices it charges its customers or fully offset such price increases through improved efficiencies.

Financial Condition

Fiscal 2003 The Company generated positive net cash flow provided by operating activities of \$16,070,000 comprised principally of net income, depreciation and amortization, deferred charges, decreases in inventories and increases in the allowance for doubtful accounts, accounts payable and accrued liabilities, (collectively aggregating \$26,077,000), net of unrealized gain on interest rate swap, and increases in accounts receivable, prepaid expenses and other assets, (collectively aggregating \$10,007,000).

Accounts receivable increased \$6,646,000 or 20.6% due partly to strong year-end sales as well as to an increased number of customers (associated with large marketing groups) that are subject to extended payment terms. Prepaid expenses and miscellaneous increased \$679,000 or 14.3% due primarily to the cost of promotional materials for new product introductions as well as the cost of product displays associated with new channels of distribution. Goodwill increased \$3,483,000 or 29.6% due primarily to contingent consideration payments made relating to the acquisitions of Acculite and Alfa Lighting and to a lesser extent due to favorable exchange rates. Payments made in 2003 under the Acculite and Alfa Lighting acquisition purchase agreements were approximately \$340,000 and \$2,100,000 respectively. Accounts payable increased \$1,298,000 or 11.8% due primarily to the timing of year-end disbursements.

Net cash used in investing activities amounted to \$3,178,000 comprised of capital expenditures for fiscal 2003.

The net cash used in financing activities of \$12,411,000 consisted primarily of principal payments on the term debt under the senior credit facility (the Senior Credit Facility") of \$84,630,000 less proceeds from its revolving credit facility (the "Revolving Credit Facility") of \$71,550,000.

Prior to the June 30, 1999 merger of Jupiter Acquisition Corp., a Delaware company and wholly-owned subsidiary of Fremont Investors I, LLC, with and into the Company (the "Merger"), the Company historically had funded its operations principally from cash generated from operations and available cash. The Company incurred substantial indebtedness in connection with the Merger. The Company's liquidity needs are expected to arise primarily from operating activities and servicing indebtedness incurred in connection with the Merger.

Principal and interest payments under the Senior Credit Facility and the \$125 million principal amount of 11-7/8% senior subordinated notes due July 1, 2009 issued by the Company (the "Subordinated Debt" or "Notes"), both entered into in connection with the Merger, represent significant liquidity requirements for the Company. As of November 30, 2003, the Company had cash of approximately \$1.7 million, a \$5.7 million balance on the Company's Revolving Credit Facility and total term debt of approximately \$147.7 million. Detailed information concerning the terms of the Senior Credit Facility and the Subordinated Debt can be found in the Company's audited financial statements and notes thereto appearing elsewhere in this document.

The Company's \$35 million Revolving Credit Facility is available to finance its working capital requirements and had an outstanding balance on November 30, 2003 of \$5.7 million. The Company's principal source of cash to fund its liquidity needs will be net cash from operating activities and borrowings under the Revolving Credit Facility.

The Company has 1,060,000 shares of Series A preferred stock and 3,500 of Series B preferred stock outstanding. Holders of the preferred stock are entitled to receive cumulative quarterly dividends, whether or not declared by the Company's board of directors, in an amount equal to the greater of (1) dividends which would have been payable to the holders of Series A or Series B, as the case may be, in such quarter had they converted their preferred stock into Juno common stock prior to the record date of dividends declared on the common stock in such quarter, or (2) the stated amount then in effect multiplied by 2%. Until June 30, 2004, with respect to the Series A preferred stock and November 30, 2005, with respect to the Series B preferred stock, such dividends are payable by an increase in the stated amount of such stock. After such dates such dividends are required to be paid in cash until redemption or conversion. The preferred stock is convertible into shares of the Company's common stock at a rate of \$26.25 per share; entitles the holder to one vote for each whole share of common stock that would be issuable to such holder upon the conversion; and provides the holder with preferences to common stockholders in the event of liquidation, dissolution, winding up or sale of the Company. The Company may, at any time after the ninth anniversary of the original issuance date, redeem the shares of Series A Preferred Stock at stated value, plus accrued but unpaid dividends. The Company may, at any time after the eighth anniversary of the original issuance date, redeem the shares of the Series B Preferred Stock at stated value, plus accrued but unpaid dividends. The preferred stock is not classified as permanent equity in the Company's financial statements as redemption thereof is outside of the Company's control in accordance with the guidance of Emerging Issues Task Force Topic D-98 "Classification and Measurement of Redeemable Securities."

As of November 30, 2003 Fremont Investors held 1,060,000 shares of Series A and approximately 600,000 shares of Common Stock.

The Company believes these sources will be adequate to meet its anticipated future requirements for working capital, capital expenditures, and scheduled payments of principal and interest on its existing indebtedness for at least the next 12 months. However, the Company may not generate sufficient cash flow from operations or have future working capital borrowings available in an amount sufficient to enable it to service its indebtedness, including the Notes, or to make necessary capital expenditures.

Fiscal 2002 The Company generated positive net cash flow provided by operating activities of \$19,467,000 comprised principally of net income, depreciation and amortization, deferred charges, decreases in inventories and other assets, and an increase in accounts payable, (collectively aggregating \$21,927,000), net of a decrease to the allowance for doubtful accounts and accrued liabilities, unrealized gain on interest rate swap and increases in accounts receivable and prepaid expenses, (collectively aggregating \$2,460,000).

Net cash used in investing activities amounted to \$9,372,000 and was used to finance capital expenditures of \$2,494,000. In addition, on October 15, 2002 the Company purchased the stock of Alfa Lighting, Inc., manufacturers and marketers of low voltage lighting systems for \$7,200,000 in cash. The acquisition was financed using the Company's Revolving Credit Facility under the Company's existing Senior Credit Facility with Bank of America, N.A., Credit Suisse First Boston and certain other lenders. The purchase agreement calls for an additional purchase price due at the end of the first twelve and twenty-four months after acquisition contingent upon this division attaining certain operating objectives. As a result of this acquisition, the Company recorded additional working capital of \$2,428,000 and goodwill of \$4,450,000. Information regarding the first resultant payment under the purchase agreement can be found in the above Fiscal 2003 Financial Condition section.

The net cash used in financing activities of \$10,154,000 consisted primarily of principal payments on the term debt under the Senior Credit Facility of \$67,815,000 less proceeds from its Revolving Credit Facility of \$57,300,000.

As of November 30, 2002, the Company had cash of approximately \$1.2 million, a \$6.0 million balance on the Company's Revolving Credit Facility and total term debt of approximately \$160.3 million. Detailed information concerning the terms of the Senior Credit Facility and the Subordinated Debt can be found in the Company's audited financial statements and notes thereto appearing elsewhere in this document.

The Company's \$35 million Revolving Credit Facility is available to finance its working capital requirements and had an outstanding balance on November 30, 2002 of \$6.0 million.

Fiscal 2001 The Company generated positive net cash flow provided by operating activities of \$17,993,000 comprised principally of net income, depreciation and amortization, deferred charges, decreases in inventory, and an increase in accrued liabilities, (collectively aggregating \$22,883,000), net of a decrease to the allowance for doubtful accounts and accounts payable and increases in accounts receivable, prepaid expenses and other assets, (collectively aggregating \$4,890,000).

Net cash used in investing activities amounted to \$11,870,000 and was used to finance capital expenditures of \$2,796,000, and make payments of \$3,220,000 associated with licensing certain intellectual property rights. In addition, on August 28, 2001 the Company purchased the net assets of Acculite Mfg., Inc. and two of its affiliates, manufacturers and marketers of HID (High Intensity Discharge) lighting fixtures for commercial and industrial use for \$5,900,000 in cash. The acquisition was financed using the Company's existing Revolving Credit Facility. The purchase agreement calls for an additional payment of up to approximately \$1,305,000, due at the end of the first twenty-four months after acquisition contingent upon this division attaining certain operating objectives. As a result of this acquisition, the Company recorded additional working capital of \$1,889,000 and goodwill of \$3,965,000. Information regarding the resultant payment under the purchase agreement can be found in the above Fiscal 2003 Financial Condition section.

The net cash used in financing activities of \$9,660,000 consisted primarily of principal payments on the term debt under the Senior Credit Facility of \$52,515,000 less proceeds from the \$35 million Revolving Credit Facility of \$42,700,000.

As of November 30, 2001, the Company had cash of approximately \$1.3 million, a \$5.3 million balance on the Company's Revolving Credit Facility and total term debt of approximately \$171.5 million. Detailed information concerning the terms of the Senior Credit Facility and the Subordinated Debt can be found in the Company's audited financial statements and notes thereto appearing elsewhere in this document.

The Company's \$35 million Revolving Credit Facility was available to finance its working capital and had an outstanding balance on November 30, 2001 of \$5.3 million.

Other Matters

Recently Issued Accounting Standards

In December 2002, the FASB issued SFAS No. 148, "Accounting for Stock-Based Compensation-Transition and Disclosure". This standard amends the disclosure requirements of FASB Statement No. 123, "Accounting for Stock-Based Compensation," to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. This statement is effective for all interim periods beginning after December 15, 2002. The Company adopted this standard in the second quarter of 2003.

ITEM 8. *FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA*

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Report of Independent Auditors

To the Board of Directors and
Stockholders of Juno Lighting, Inc.

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, stockholders' deficit and cash flows present fairly, in all material respects, the financial position of Juno Lighting, Inc. and its subsidiaries at November 30, 2003 and 2002, and the results of their operations and their cash flows for each of the three years in the period ended November 30, 2003 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 16 to the consolidated financial statements, the Company has restated its consolidated balance sheets at November 30, 2003 and 2002 and its consolidated statements of stockholders' deficit for the three years ended November 30, 2003, to reflect a change in the classification of preferred stock.

As disclosed in Note 1 to the financial statements, the Company changed the manner in which it accounts for goodwill and other intangible assets upon the adoption of Statement of Financial Accounting Standards No. 142 "Goodwill and Other Intangible Assets" on December 1, 2001.

PricewaterhouseCoopers LLP
Chicago, Illinois
January 9, 2004, except Note 16, as to which the date is April 14, 2004

CONSOLIDATED STATEMENTS OF INCOME

(in thousands except share amounts)

Year ended November 30,	2003	2002	2001
Net sales	\$ 200,566	\$ 181,770	\$ 179,947
Cost of sales	99,933	91,025	88,803
Gross profit	100,633	90,745	91,144
Selling, general and administrative	61,031	53,760	56,057
Costs of terminated acquisition	-	3,050	-
Operating income	39,602	33,935	35,087
Other (expense) income:			
Interest expense	(15,605)	(16,907)	(19,930)
Interest and dividend income	49	17	158
Realized gain on interest rate swap	-	1,549	-
Miscellaneous	578	493	(404)
Total other (expense)	(14,978)	(14,848)	(20,176)
Income before taxes on income	24,624	19,087	14,911
Taxes on income	7,693	7,320	5,567
Net income	16,931	11,767	9,344
Less: Preferred dividends	11,564	10,683	9,870
Net income (loss) available to common shareholders	\$ 5,367	\$ 1,084	\$ (526)
Net income (loss) per common share (Basic and diluted)	\$ 2.11	\$.43	\$ (.21)
Weighted average number of shares outstanding - Basic	2,545,298	2,513,875	2,481,928
Weighted average number of shares outstanding - Diluted	2,545,298	2,513,875	2,481,928

[See notes to consolidated financial statements.](#)

CONSOLIDATED BALANCE SHEETS

(in thousands)

November 30,	2003 Restated (Note 16)	2002 Restated (Note 16)
Assets		
Current:		
Cash	\$ 1,702	\$ 1,221
Accounts receivable, less allowance for doubtful accounts of \$990 and \$926	38,871	32,225
Inventories, net	21,972	22,870
Prepaid expenses and miscellaneous	5,403	4,724
Total current assets	67,948	61,040
Property and equipment:		
Land	7,381	7,267
Building and improvements	33,898	33,376
Tools and dies	13,464	12,116
Machinery and equipment	8,477	7,690
Computer equipment	9,267	8,963
Office furniture and equipment	3,646	3,213
	76,133	72,625
Less accumulated depreciation	(34,991)	(30,619)
Net property and equipment	41,142	42,006
Other assets:		
Goodwill	15,249	11,766
Deferred financing costs, net of accumulated amortization of \$5,728 and \$4,426	4,615	5,917
Miscellaneous	3,010	3,123
Total other assets	22,874	20,806
Total assets	\$ 131,964	\$ 123,852

CONSOLIDATED BALANCE SHEETS

(in thousands)

November 30,	2003 Restated (Note 16)	2002 Restated (Note 16)
Liabilities		
Current:		
Accounts payable	\$ 12,258	\$ 10,960
Accrued liabilities	18,681	18,471
Short term borrowings	5,700	6,050
Current maturities of long-term debt	2,919	4,681
Total current liabilities	39,558	40,162
Long-term debt, less current maturities	144,734	155,626
Deferred income taxes payable	3,116	3,215
Commitments and Contingencies		
Redeemable preferred stock, Series A and B convertible \$.001 par value, \$100 stated value, 5,000,000 shares authorized and 1,063,500 shares issued.	151,847	140,283
Stockholders' Deficit		
Common stock, \$.001 par value; Shares authorized 45,000,000; Issued 2,582,939 and 2,529,534	3	2
Paid-in capital	1,726	1,035
Accumulated other comprehensive income (loss)	1,312	(772)
Shareholder note receivable	(200)	(200)
Accumulated deficit	(210,132)	(215,499)
Total stockholders' deficit	(207,291)	(215,434)
Total liabilities, redeemable preferred stock and stockholders' deficit	\$ 131,964	\$ 123,852

[See notes to consolidated financial statements.](#)

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT

(in thousands)

Years ended November 30, 2001, 2002 and 2003 Restated (Note 16)

	Common Stock		Accumulated	Shareholder	Retained	
	Amount	Paid-In Capital	Other	Note	Earnings/	
	\$.001 PAR		Comprehensive	Receivable	(Accumulated	Total
			Income (Loss)		Deficit)	
Balance, November 30, 2000	\$ 2	\$ 319	\$ (762)	\$ -	\$ (216,057)	\$ (216,498)
Comprehensive income:						
Net income for 2001	-	-	-	-	9,344	9,344
Loss on foreign currency translation	-	-	(281)	-	-	(281)
Comprehensive income	-	-	-	-	-	9,063
Issuance of shareholder note receivable	-	-	-	(200)	-	(200)
Purchase of common stock and exercise of stock options	-	355	-	-	-	355
Preferred stock dividend	-	-	-	-	(9,870)	(9,870)
Balance, November 30, 2001	2	674	(1,043)	(200)	(216,583)	(217,150)
Comprehensive income:						
Net income for 2002	-	-	-	-	11,767	11,767
Gain on foreign currency translation	-	-	271	-	-	271
Comprehensive income	-	-	-	-	-	12,038
Purchase of common stock	-	361	-	-	-	361
Preferred stock dividend	-	-	-	-	(10,683)	(10,683)
Balance, November 30, 2002	2	1,035	(772)	(200)	(215,499)	(215,434)
Comprehensive income:						
Net income for 2003	-	-	-	-	16,931	16,931
Gain on foreign currency translation	-	-	2,084	-	-	2,084
Comprehensive income	-	-	-	-	-	19,015
Purchase of common stock and exercise of stock options	1	691	-	-	-	692
Preferred stock dividend	-	-	-	-	(11,564)	(11,564)
Balance, November 30, 2003	\$ 3	\$ 1,726	\$ 1,312	\$ (200)	\$ (210,132)	\$ (207,291)

[See notes to consolidated financial statements.](#)

CONSOLIDATED STATEMENTS OF CASH FLOW

(in thousands)

Year ended November 30,	2003	2002	2001
Net income	\$ 16,931	\$ 11,767	\$ 9,344
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	5,935	6,514	6,068
Unrealized (gain) loss on interest rate swap	(422)	(418)	472
Increase(decrease) in allowance for doubtful accounts	64	(51)	(174)
Deferred income taxes	270	962	78
Deferred compensation	-	36	72
Changes in operating assets and liabilities:			
(Increase) in accounts receivable	(6,710)	(1,297)	(3,192)
Decrease in inventories	898	271	4,613
(Increase) in prepaid expenses	(1,077)	(185)	(206)
(Increase) decrease in other assets	(1,798)	243	(113)
Increase (decrease) in accounts payable	1,298	2,134	(790)
Increase (decrease) in accrued liabilities	681	(509)	1,821
Net cash provided by operating activities	16,070	19,467	17,993
Cash flows used in investing activities:			
Capital expenditures	(3,178)	(2,494)	(2,796)
License - lighting technology	-	-	(3,220)
Acquisition of subsidiary, net of Cash acquired	-	(6,878)	(5,854)
Net cash used in investing activities	(3,178)	(9,372)	(11,870)
Cash flows used in financing activities:			
Principal payments on long-term debt and bank debt	(84,630)	(67,815)	(52,515)
Proceeds from sale of common stock through Employee Stock Purchase Plan	245	361	155
Proceeds from bank debt	71,550	50,300	36,800
Proceeds from bank debt for acquisition	-	7,000	5,900
Proceeds from exercise of stock options	424	-	-
Net cash used in financing activities	(12,411)	(10,154)	(9,660)
Net increase (decrease) in cash	481	(59)	(3,537)
Cash at beginning of year	1,221	1,280	4,817
Cash at end of year	\$ 1,702	\$ 1,221	\$ 1,280
Supplemental disclosures of cash flow information:			
Cash paid during the year for:			
Interest	\$ 15,733	\$ 16,814	\$ 20,542
Income taxes	\$ 9,254	\$ 5,692	\$ 4,641

[See notes to consolidated financial statements.](#)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Juno Lighting, Inc.

Note 1: Summary of Significant Accounting Policies

Nature of the Business Juno Lighting, Inc. (the "Company") is a leader in the design, manufacture and marketing of lighting fixtures for commercial and residential use primarily in the United States.

Principles of Consolidation The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All material intercompany accounts and transactions have been eliminated.

Use of Estimates The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition Revenues from sales are recognized at the time goods are shipped. All shipments are FOB shipping point. A contemporaneous generation of invoices set up the fixed and determinable price. Freight billed to our customers is not considered material and has been netted against selling expense. Shipping and handling costs are included in Selling, General and Administrative costs on the income statement.

Inventories Inventories are valued at the lower of cost (first-in, first-out) or market.

Property and Equipment Property and equipment are stated at cost. Depreciation is computed over estimated useful lives using the straight-line method for financial reporting purposes and accelerated methods for income tax reporting. Depreciation expense in 2003, 2002, and 2001 amounted to approximately \$4,454,000, \$4,483,000, and \$4,462,000 respectively.

Useful lives for property and equipment are as follows:

Buildings and improvements	20 - 40 years
Tools and dies	3 years
Machinery and equipment	7 years
Computer equipment	5 years
Office furniture and equipment	5 years

Goodwill The Company adopted SFAS 142 "Goodwill and Other Intangibles" during 2002. Management conducted a review of the estimated fair market value of its business segment, using discounted cash flow techniques. Based on management's review, no goodwill impairment was recorded for the year ended November 30, 2003. Furthermore, the Company has not amortized any of its goodwill for the year ended November 30, 2003. Had SFAS 142 been in effect for fiscal 2001, the net income (loss) attributable to common shareholders and earnings per share attributable to common shareholders for the three years ending November 30, 2003 would have been as follows:

	<i>(in thousands)</i>		
November 30,	2003	2002	2001
Net Income (loss)			
Net as reported	\$ 5,367	\$ 1,084	\$ (526)
Add back: Goodwill Amortization	-	-	159
Adjusted net income (loss)	\$ 5,367	\$ 1,084	\$ (367)
Basic and Diluted Earnings Per Share			
Net as reported	\$ 2.11	\$ 0.43	\$ (0.21)
Goodwill amortization	-	-	.06
Adjusted net income (loss)	\$ 2.11	\$ 0.43	\$ (0.15)
Weighted Average Shares Outstanding			
Basic and Diluted	2,545,298	2,513,875	2,481,928

Income Taxes The Company uses the asset and liability approach under which deferred taxes are provided for temporary differences between the financial reporting and income tax bases of assets and liabilities based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. The Company has recognized a one-time tax benefit of \$1,300,000 during the third quarter as a result of the closing of certain tax years.

Research and Development The Company spent approximately \$6,192,000, \$4,840,000 and \$4,973,000 on research, development and testing of new products and development of related tooling in fiscal 2003, 2002 and 2001, respectively.

Stockholders' Deficit Stockholders' deficit reflects common stock, additional paid-in capital, retained earnings (accumulated deficit), accumulated other comprehensive income (loss) related to foreign currency translation and shareholders notes. The Series A and B preferred stock are not classified as permanent equity in the accompanying balance sheets as redemption thereof is outside of the Company's control in accordance with the guidance of Emerging Issues Task Force Topic D-98 "Classification and Measurement of Redeemable Securities."

Foreign Currency Translation The financial statements of the Company's Canadian subsidiary have been translated using local currency as the functional currency.

Net Income Per Share Basic net income per share is computed based upon weighted average number of shares of common stock. Diluted earnings per share is computed based on the weighted average number of shares of common stock and dilutive common stock equivalents outstanding. The effects of convertible Preferred Stock have been excluded from dilutive earnings per share in the periods presented because the impact would be antidilutive. Share and per share information have been adjusted for all stock splits.

Stock-based Compensation As permitted by Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123"), the Company has elected to continue to account for its stock-based awards in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB 25") and has provided the pro forma disclosures below:

Pro forma information regarding net income and earnings per share is required by SFAS 123 for stock-based awards granted after November 30, 1995, as if the Company had accounted for its stock-based awards under the fair value method of SFAS 123. The fair value of the Company's stock-based awards was estimated as of the date of grant using the Black-Scholes option pricing model.

The weighted average estimated grant date fair value, as defined by SFAS 123, for options granted to employees during fiscal 2003, 2002 and 2001 was \$3.38, \$1.86 and \$1.03 per share, respectively, under the Company's Stock Option Plan and \$2.78, \$3.26 and \$2.84, respectively, under the Company's Stock Purchase Plan. The fair value of the Company's stock-based awards was estimated assuming the following weighted average assumptions:

	2003	2002	2001
Expected life (in years)	8	8	8
Expected volatility	35.65 %	34.35 %	31.82 %
Dividend yield	0.00 %	0.00 %	0.00 %
Risk free interest rate	3.34 %	4.36 %	5.33 %

Had the Company recorded compensation based on the estimated grant date fair value, as defined by SFAS 123, for awards granted under its stock-based compensation plans, the Company's net (loss) income available to common shareholders and net (loss) income per share would have been reduced, or increased, to the pro forma amounts below for the years ended November 30, 2003, 2002 and 2001:

	<i>(in thousands except per share amounts)</i>		
	2003	2002	2001
Net income (loss) available to common shareholders as reported	\$ 5,367	\$ 1,084	\$ (526)
Pro forma net income (loss) available to common shareholders	\$ 4,653	\$ 389	\$ (1,155)
Net income (loss) per share as reported (Basic & diluted)	\$ 2.11	\$.43	\$ (.21)
Pro forma net income (loss) per share (Basic & diluted)	\$ 1.83	\$.15	\$ (.47)

Derivative Instruments Changes in the fair value of derivatives are recorded each period in current earnings or other comprehensive income, depending on whether a derivative is designated as part of a hedge transaction and, if it is, the type of hedge transaction. The Company entered into two interest rate swap agreements in fiscal 2001 (notional amounts of \$30,000,000 pay-fixed rate swap (expired April, 2003) and \$60,000,000 pay-floating rate swap (expiring July, 2009)), which resulted in a net unrealized gain of \$422,000 for the year ended November 30, 2003 and a unrealized gain of \$418,000 for the year ended November 30, 2002, based on the swaps' estimated market values as of November 30, 2003, and 2002, respectively. These derivatives do not qualify for hedge accounting. Accordingly, the net impact was recorded as other income/expense on the consolidated statements of income for fiscal 2003 and 2002. The Company also realized a gain of \$1,549,000 for the fiscal year ended November 30, 2002 as a result of exiting an interest rate swap transaction. The Company entered into these agreements to reduce the risk of adverse changes in variable interest rates on certain of the long-term debt. These derivative instruments will be adjusted to estimated market values quarterly with any adjustment impacting current earnings until their respective maturities.

Recently Issued Accounting Standards In December 2002, the FASB issued SFAS No. 148, "Accounting for Stock-Based Compensation-Transition and Disclosure". This standard amends the disclosure requirements of FASB Statement No. 123, "Accounting for Stock-Based Compensation," to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. This statement is effective for all interim periods beginning after December 15, 2002. The Company adopted this standard in the second quarter of 2003.

Note 2: Merger and Recapitalization

On June 30, 1999, Jupiter Acquisition Corp. ("Merger Sub"), a Delaware corporation and a wholly-owned subsidiary of Fremont Investors I, LLC ("Fremont Investors"), was merged (the "Merger") with and into the Company pursuant to an Agreement and Plan of Recapitalization and Merger dated March 26, 1999 (the "Merger Agreement") by and among Merger Sub, the Company and Fremont Investors. Pursuant to the Merger, the holders of all the issued and outstanding shares of Juno common stock, \$.01 par value per share, were entitled to receive either \$25 cash or one share of Juno common stock, \$.001 par value per share, for each share of common stock issued and outstanding; provided that this consideration was subject to proration, as such holders were entitled to receive an aggregate of 2,400,000 shares of Juno common stock. The Company funded this effective retirement of 16,242,527 shares of the Company's common stock with a payment to stockholders in the aggregate of approximately \$406 million. The sources of this funding included the Company's available cash and marketable securities, a \$106 million preferred stock investment by Fremont and key employees of Juno ("Preferred Stock"), approximately \$94.9 million of bank debt ("Bank Debt") and the issuance of \$125 million of subordinated debt ("Subordinated Debt"). In connection with the Merger, the Company incurred approximately \$9.9 million in transaction costs and \$10.2 million of deferred financing costs. Included in these costs were payments of approximately \$4.9 million to Fremont Investors.

Note 3: Acquisition

In October 2002, the Company purchased all of the outstanding stock of Alfa Lighting, Inc., a manufacturer and marketer of low voltage lighting systems for \$7,200,000. The Company performed an analysis of the purchase price and determined that there were no identifiable intangibles. As a result the purchase price was allocated to working capital of \$2,750,000 and goodwill of \$4,450,000. The purchase agreement calls for an additional purchase price that is contingent upon Alfa Lighting, Inc. attaining certain operating objectives. The additional purchase price is payable at the end of the first twelve and twenty-four months after the acquisition date if the objectives are met. The payment made under the purchase agreement in fiscal 2003 was approximately \$2,100,000.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the date of acquisition.

	<i>(in thousands)</i>
Cash and cash equivalents	\$ 322
Accounts receivable	528
Inventory	2,406
Property, plant and equipment	95
Other assets	389
Goodwill	4,450
Total assets acquired	8,190
Current liabilities	740
Deferred taxes	250
Total liabilities assumed	990
Net assets acquired	\$ 7,200

Note 4: Inventories

Inventories consist of the following:

	<i>(in thousands)</i>	
November 30,	2003	2002
Finished goods	\$ 10,769	\$ 12,873
Raw materials	11,969	10,745
Reserve for Obsolescence	(766)	(748)
Total	\$ 21,972	\$ 22,870

Work in process inventories are not significant in amount and are included in finished goods.

Note 5: License Agreement

In 2001, the Company invested \$3,200,000 to license the rights to develop an innovative fluorescent lighting system under the Modulight brand name. This license is being amortized on a straight-line basis over twenty years. Amortization amounted to approximately \$161,000, \$161,000 and \$134,000 in 2003, 2002 and 2001, respectively. This license agreement is classified in Miscellaneous other assets.

Note 6: Accrued Liabilities

Accrued liabilities consist of the following:

	<i>(in thousands)</i>	
November 30,	2003	2002
Interest expense	\$ 6,193	\$ 6,350
Compensation and benefits	6,658	4,717
Promotional programs	2,880	2,358
Real estate taxes	595	642
Commissions	689	595
Current income taxes	805	2,284
Swap contract	-	450
Other	861	1,075
Total	\$ 18,681	\$ 18,471

Note 7: Long-Term Debt

Long-term debt consists of the following:

(in thousands)

November 30,	2003	2002
Bank of America, N.A. and certain other lenders, Tranche A Term Loan, payable in escalating installments through November, 2005, plus interest at a variable rate, generally approximating 3 month LIBOR plus 2.25%	\$ 6,167	\$ 12,683
Bank of America, N.A. and certain other lenders, Tranche B Term Loan, payable in escalating installments through November, 2006, plus interest at a variable rate, generally approximating 3 month LIBOR plus 3.0%	17,103	23,318
Senior Subordinated Notes due July, 2009 plus interest at 11 7/8%, net of discount of \$617 and \$694 in 2003 and 2002, respectively	124,383	124,306
	147,653	160,307
Less current maturities	(2,919)	(4,681)
Total long-term debt	\$ 144,734	\$ 155,626

The Company has a senior credit facility (the "Senior Credit Facility") with Bank of America, N.A., Credit Suisse First Boston and certain other lenders providing (i) a \$90 million term facility consisting of a (a) \$40 million tranche A term loan ("Term Loan A"), and (b) \$50 million tranche B term loan ("Term Loan B"), and (ii) a \$35 million revolving credit facility (the "Revolving Credit Facility"). Borrowings under the Senior Credit Facility bear interest, at the Company's option, at a rate per annum equal to either the Eurodollar rate (the London interbank offered rate for eurodollar deposits as adjusted for statutory reserve requirements) or a base rate plus variable applicable percentages. At November 30, 2003, the nominal interest rates for Term Loan A and Term Loan B were 3.37% and 4.12%, respectively. Term Loan A and Term Loan B are each payable in separate quarterly installments. The final maturity of Term Loan A is November 30, 2005 and the final maturity of Term Loan B is November 30, 2006. Amounts outstanding under the Revolving Credit Facility at November 30, 2003 and November 30, 2002 were \$5,700,000 and \$6,050,000 respectively. At November 30, 2003, the nominal interest rate for borrowing on the Revolving Credit Facility was 4.5%. Borrowings under the Revolving Credit Facility are due on November 30, 2005. In addition, the Company issued \$125 million principal amount of 11-7/8% senior subordinated notes due July 1, 2009 (the "Notes") to qualified institutional buyers under a private placement offering pursuant to Rule 144A and Regulation S of the Securities Act of 1933, which notes were then exchanged for new notes registered under the Securities Act of 1933 with substantially identical economic terms, resulting in approximately \$120.4 million in proceeds to the Company. Interest is payable on the Notes semi-annually on January 1 and July 1 of each year. The Notes are unsecured senior subordinated obligations of the Company, subordinated in right of payment to all existing and future senior indebtedness of the Company, including the Senior Credit Facility. Each of the aforementioned debt facilities contain restrictive covenants. The credit agreement related to the Senior Credit Facility including the Revolving Credit Facility (the "Secured Credit Agreement") requires the Company to maintain certain financial ratios, as defined therein.

Relating to the Senior Credit Facility and the Notes, the Company incurred approximately \$3.9 million and \$6.3 million of financing fees, respectively, which are being amortized over the life of the related debt.

The Senior Credit Facility is collateralized by substantially all of the assets of the Company and its domestic subsidiaries as more particularly described in the Secured Credit Agreement dated June 29, 1999, including all applicable amendments. The aggregate amounts of existing long-term debt maturing in each of the next three years are as follows: 2004 - \$2,919,000; 2005 - \$3,605,000; 2006 - \$16,746,000.

Note 8: Taxes On Income

Provisions for federal and state income taxes in the consolidated statements of income are comprised of the following:

	<i>(in thousands)</i>		
November 30,	2003	2002	2001
Current:			
Federal	\$ 6,242	\$ 5,148	\$ 4,414
State	983	1,210	819
	7,225	6,358	5,233
Deferred:			
Federal	354	883	295
State	114	79	39
	468	962	334
Total taxes on income	\$ 7,693	\$ 7,320	\$ 5,567

Deferred tax assets (liabilities) are comprised of the following:

	<i>(in thousands)</i>	
November 30,	2003	2002
Reserves for doubtful accounts	\$ 339	\$ 318
Inventory costs capitalized for tax purposes	608	681
Compensation and benefits	721	609
Accrued warranty reserve	(1)	1
Prepaid promotional expenses	(392)	(183)
Interest rate swap	(424)	(206)
Net current deferred tax assets	851	1,220
Depreciation	(1,970)	(1,881)
Amortization of swap gain	(456)	(538)
Basis difference of acquired assets	(58)	(288)
Capitalized interest	(14)	(14)
Foreign amortization	(288)	(164)
Real estate taxes	(330)	(330)
Net long term deferred tax liabilities	(3,116)	(3,215)
Net deferred tax liability	\$ (2,265)	\$ (1,995)

The following summary reconciles taxes at the federal statutory tax rate to the Company's effective tax rate:

November 30,	2003	2002	2001
Income taxes at statutory rate	35.0 %	35.0%	35.0%
State and local taxes, net of federal income tax benefit	1.7	2.7	2.7
Other	(.2)	.7	(.4)
Subtotal effective income tax rate	36.5	38.4	37.3
Prior year tax benefit recognized	(5.3)	-	-
Effective tax rate	31.2 %	38.4%	37.3%

The decrease in the effective income tax rate for fiscal 2003 was primarily due to the recognition of a one-time tax benefit of \$1,300,000 in the third quarter of 2003 as a result of the closing of certain tax years and to a lesser extent effective state tax planning initiatives.

Note 9: Stock Based Compensation Plans

The Company maintains two stock-based compensation programs: a stock option plan and a stock purchase plan. Prior to June 30, 1999, stock options were issued under the 1993 Stock Option Plan. The 1993 Stock Option Plan ("the 1993 Plan") provided for the granting of stock options or stock appreciation rights ("SAR") to certain key employees, including officers. Under the 1993 Plan, up to 600,000 shares of the Company's common stock may be issued upon exercise of stock options, and SARs may be granted with respect to up to 600,000 shares of the Company's common stock. At November 30, 2003, remaining options outstanding under the 1993 Plan totaled 138,400. On December 2, 2003 the 1993 Plan expired and no further options were available for issuance. The Company's 1999 Stock Award and Incentive Plan (the "1999 Plan") provides for the granting of stock options or stock appreciation rights ("SAR") to certain key employees, including officers, directors (including non-employee directors), and independent contractors. The stock option plan provides for the grant of "incentive stock options" or "non-qualified stock options" as defined in Section 422 of the Internal Revenue Code as amended. Under the 1999 Plan, up to 940,000 shares of the Company's common stock may be issued upon the exercise of stock options, and SARs may be granted with respect to up to 940,000 shares of the Company's common stock. At November 30, 2003, a total of 33,695 shares were available for grant under the 1999 Plan. The per-share option price for options granted under the stock option plan may not be less than 100% of the fair market value of the Company's common stock on the date of grant.

The Company's stock purchase plan allows employees to purchase shares of the Company's common stock through payroll deductions over a twelve-month period. The purchase price is equal to 85 percent of the fair market value of the common stock on either the first or last day of the accumulation period, whichever is lower. Purchases under the stock purchase plan are limited to the lesser of \$5,000 or 10% of an employee's base salary. In connection with the Company's stock purchase plan, 400,000 shares of common stock are authorized for issuance of which 238,212 remain available for issuance as of November 30, 2003. Under this stock purchase plan, 30,305 shares of common stock were issued at \$8.08 per share in fiscal 2003.

A summary of activity under the Company's stock option plan is as follows:

	Options Outstanding	Weighted Average Exercise Price
Balance at November 30, 1999	585,450	\$ 22.52
Options Granted	503,427	\$ 25.00
Options Exercised	-	\$ 25.00
Options Canceled	(21,512)	\$ 18.18
Balance at November 30, 2000	1,067,365	\$ 23.68
Options Granted	38,875	\$ 25.00
Options Exercised	-	\$ -
Options Canceled	(72,935)	\$ 24.56
Balance at November 30, 2001	1,033,305	\$ 23.69
Options Granted	27,100	\$ 25.00
Options Exercised	-	\$ -
Options Canceled	(15,000)	\$ 22.82
Balance at November 30, 2002	1,045,405	\$ 23.74
Options Granted	34,100	\$ 25.00
Options Exercised	(23,100)	\$ 18.35
Options Canceled	(11,700)	\$ 21.36
Balance at November 30, 2003	1,044,705	\$ 23.93

A summary of outstanding and exercisable stock options as of November 30, 2003, is as follows:

Range of Exercise Prices	Options Outstanding			Options Exercisable	
	Number of Shares	Weighted Averaged Remaining Contractual Life (in years)	Weighted Average Exercise Price	Number Of Shares	Weighted Average Exercise Price
\$ 14.44	66,100	2	\$ 14.44	66,100	\$ 14.44
\$ 15.38	7,300	3.1	\$ 15.38	7,300	\$ 15.38
\$ 16.69 - \$ 18.50	26,000	1.6	\$ 18.43	26,000	\$ 18.43
\$ 19.63 - \$ 22.19	39,000	1.4	\$ 20.31	39,000	\$ 20.31
\$ 25.00	906,305	6.6	\$ 25.00	660,100	\$ 25.00
	1,044,705	5.9	\$ 23.93	798,500	\$ 23.60

Pro forma information regarding net income and earnings per share is required by SFAS 123 for stock-based awards granted after November 30, 1995, as if the Company had accounted for its stock-based awards under the fair value method of SFAS 123. The fair value of the Company's stock-based awards was estimated as of the date of grant using the Black-Scholes option pricing model.

The weighted average estimated grant date fair value, as defined by SFAS 123, for options granted to employees during fiscal 2003, 2002 and 2001 was \$3.38, \$1.86 and \$1.03 per share, respectively, under the Company's Stock Option Plan and \$2.78, \$3.26 and \$2.84, respectively, under the Company's Stock Purchase Plan. The fair value of the Company's stock-based awards was estimated assuming the following weighted average assumptions:

	2003	2002	2001
Expected life (in years)	8	8	8
Expected volatility	35.65%	34.35%	31.82%
Dividend yield	0.00%	0.00%	0.00%
Risk free interest rate	3.34%	4.36%	5.33%

Had the Company recorded compensation based on the estimated grant date fair value, as defined by SFAS 123, for awards granted under its stock-based compensation plans, the Company's net (loss) income available to common shareholders and net (loss) income per share would have been reduced, or increased, to the pro forma amounts below for the years ended November 30, 2003, 2002 and 2001:

	<i>(in thousands except per share amounts)</i>		
	2003	2002	2001
Net income (loss) available to common shareholders as reported	\$ 5,367	\$ 1,084	\$ (526)
Pro forma net income (loss) available to common shareholders	\$ 4,653	\$ 389	\$ (1,155)
Net income (loss) per share as reported (Basic & diluted)	\$ 2.11	\$.43	\$ (.21)
Pro forma net income (loss) per share (Basic & diluted)	\$ 1.83	\$.15	\$ (.47)

Note 10: Profit Sharing Plan

The Company has a profit sharing plan pursuant to Section 401(k) of the Internal Revenue Code, whereby participants may contribute a percentage of compensation, but not in excess of the maximum allowed under the Code. As of January 1, 2002, the Company amended the plan to satisfy the 401(k) safe-harbor requirements by increasing the Company matching contribution to 4%. The matching contribution provided by the Company amounted to approximately \$730,000, \$669,000 and \$257,000 in 2003, 2002, and 2001 respectively. In addition, the Company may make additional contributions at the discretion of the Board of Directors. The Board authorized an additional contribution of \$576,000 for fiscal 2003, \$531,000 for fiscal 2002 and \$860,000 for fiscal 2001.

Note 11: Series A and Series B Preferred Stock

On June 30, 1999, the Company issued 1,060,000 shares of Series A convertible preferred stock ("Series A") to Fremont Investors and certain employees of the Company. On November 30, 2000, the Company issued 3,500 shares of Series B convertible preferred stock ("Series B", and together with the Series A, the "Preferred Stock") to the Company's Chief Executive Officer. Holders of the Preferred Stock are entitled to receive cumulative quarterly dividends, whether or not declared by the Board of Directors, in an amount equal to the greater of:

- dividends which would have been payable to the holders of Series A or Series B, as the case may be, in such quarter had they converted their Preferred stock into Juno common stock prior to the record date of dividends declared on the common stock in such quarter, or
- the stated amount then in effect multiplied by 2%.

Through June 30, 2004, the dividends for the Series A will be payable by an increase in the stated amount of such stock, and through November 30, 2005, the dividends for the Series B will be payable by an increase in the stated amount of such stock. After June 30, 2004, the dividends on the Series A will be paid in cash until redemption or conversion, and after November 30, 2005, the dividends on the Series B will be paid in cash until redemption or conversion. The Preferred Stock is convertible into shares of the Company's common stock at a rate of \$26.25 per share. Holders of Preferred Stock are entitled to one vote for each whole share of common stock that would be issuable to such holder upon the conversion of all the shares of the Preferred Stock held by such holder on the record date for the determination of stockholders entitled to vote. Additionally, holders of Preferred Stock have preference to common stockholders in the event of liquidation, dissolution, winding up or sale of the Company.

As of November 30, 2003 Fremont Investors held 1,060,000 shares of Series A and approximately 600,000 shares of Common Stock.

The Company may, at any time after the ninth anniversary of the original issuance date, redeem the shares of Series A Preferred Stock at stated value, plus accrued but unpaid dividends. The Company may, at any time after the eighth anniversary of the original issuance date, redeem the shares of the Series B Preferred Stock at stated value, plus accrued but unpaid dividends. The change in the carrying balance of the preferred stock is due to the accrual for dividends payable in kind aggregating approximately \$11,564,000, \$10,683,000, and \$9,870,000 for the years ending November 30, 2003, 2002 and 2001, respectively.

Note 12: Business Segments and Geographical Information

The Company operates in one product segment - the design, manufacture and marketing of lighting fixtures. The aggregation criteria for sales are based on point of shipment while the aggregation criteria for assets are based on their physical location.

Financial information by geographic area is as follows:

<i>(in thousands)</i>			
November 30,	2003	2002	2001
Net Sales:			
United States			
(including Puerto Rico)	\$ 182,685	\$ 165,648	\$ 167,399
Canada	17,881	16,122	12,548
Total	\$ 200,566	\$ 181,770	\$ 179,947
<i>(in thousands)</i>			
November 30,	2003	2002	2001
Total Assets:			
United States	\$ 116,298	\$ 108,492	\$ 107,647
Canada	15,666	15,360	11,496
Total	\$ 131,964	\$ 123,852	\$ 119,143

Note 13: Commitments and Contingencies

Total minimum rentals under noncancelable operating leases for distribution warehouse space and equipment at November 30, 2003 are as follows:

	<i>(in thousands)</i>
November 30,	
2004	\$ 1,584
2005	872
2006	240
2007	54
2008	29
Total	\$ 2,779

Total rent expense charged to operations amounted to approximately \$1,308,000 \$1,190,000, and \$991,000 for the years ended November 30, 2003, 2002 and 2001, respectively.

In the ordinary course of business, there are various claims and lawsuits brought by or against the Company. In the opinion of management, the ultimate outcome of these matters will not materially affect the Company's operations or financial position.

Note 14: Certain Relationships and Related Transactions

Mr. Michael M. Froy, a Director of the Company since September 2000, is a partner of the law firm of Sonnenschein Nath & Rosenthal, which billed the Company an aggregate of \$647,770, \$720,880 and \$412,069 for legal services provided to the Company for the fiscal years ended November 30, 2003, 2002 and 2001 respectively.

The Company and Fremont Partners L.L.C., a shareholder of the Company, entered into a management services agreement at the effective time of the Merger, pursuant to which agreement Fremont Partners L.L.C. renders certain management services in connection with the Company's business operations, including strategic planning, finance, tax and accounting services. Juno pays Fremont Partners L.L.C. an annual management fee of \$325,000 to render such services.

Note 15: Guarantors' Financial Information

The Company has issued and registered \$125 million of Series B Senior Subordinated Notes at 11-7/8% (the "Senior Subordinated Notes") under the Securities Act of 1933, as amended (the "Act"). Pursuant to the registration and issuance of the Senior Subordinated Notes under the Act, the Company's domestic subsidiaries, Juno Manufacturing, Inc., Alfa Lighting, Inc. and Indy Lighting, Inc. will provide full and unconditional senior subordinated guarantees for the Senior Subordinated Notes on a joint and several basis.

Following is consolidating condensed financial information pertaining to the Company ("Parent") and its subsidiary guarantors and subsidiary non-guarantors.

For the Year Ended November 30, 2003

	<i>(in thousands)</i>				
	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	Total Consolidated
Net sales	\$ 160,616	\$ 164,139	\$ 20,105	\$ (144,294)	\$ 200,566
Cost of sales	132,513	96,955	14,670	(144,205)	99,933
Gross profit	28,103	67,184	5,435	(89)	100,633
Selling, general and administrative	29,719	27,463	3,739	110	61,031
Operating (loss) income	(1,616)	39,721	1,696	(199)	39,602
Other income (expense)	7,266	49	(370)	(21,923)	(14,978)
Income (loss) before taxes on income	5,650	39,770	1,326	(22,122)	24,624
Taxes on income	(7,382)	14,564	517	(6)	7,693
Net income (loss)	13,032	25,206	809	(22,116)	16,931
Less: Preferred dividends	(11,564)	-	-	-	(11,564)
Net income (loss) available to common shareholders	\$ 1,468	\$ 25,206	\$ 809	\$ (22,116)	\$ 5,367

For the Year Ended November 30, 2002

(in thousands)

	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	Total Consolidated
Net sales	\$ 148,285	\$ 149,013	\$ 17,374	\$ (132,902)	\$ 181,770
Cost of sales	121,772	87,820	12,394	(130,961)	91,025
Gross profit	26,513	61,193	4,980	(1,941)	90,745
Selling, general and administrative	28,334	22,114	3,202	110	53,760
Costs of terminated acquisition	-	3,050	-	-	3,050
Operating (loss) income	(1,821)	36,029	1,778	(2,051)	33,935
Other income (expense)	27,610	(21)	(432)	(42,005)	(14,848)
Income (loss) before taxes on income	25,789	36,008	1,346	(44,056)	19,087
Taxes on income	(6,764)	13,540	550	(6)	7,320
Net income (loss)	32,553	22,468	796	(44,050)	11,767
Less: Preferred dividends	(10,683)	-	-	-	(10,683)
Net income (loss) available to common shareholders	\$ 21,870	\$ 22,468	\$ 796	\$ (44,050)	\$ 1,084

For the Year Ended November 30, 2001

(in thousands)

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total Consolidated
Net sales	\$ 149,517	\$ 142,364	\$ 12,548	\$ (124,482)	\$ 179,947
Cost of sales	118,860	87,059	9,385	(126,501)	88,803
Gross profit	30,657	55,305	3,163	2,019	91,144
Selling, general and administrative	31,687	21,991	2,269	110	56,057
Operating (loss) income	(1,030)	33,314	894	1,909	35,087
Other income (expense)	44,713	(5)	(234)	(64,650)	(20,176)
Income (loss) before taxes on income	43,683	33,309	660	(62,741)	14,911
Taxes on income	(7,332)	12,611	294	(6)	5,567
Net income (loss)	51,015	20,698	366	(62,735)	9,344
Less: Preferred dividends	(9,870)	-	-	-	(9,870)
Net income (loss) available to common shareholders	\$ 41,145	\$ 20,698	\$ 366	\$ \$(62,735)	\$ (526)

November 30, 2003

(in thousands)

	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	Total Consolidated
Cash	\$ 1,212	\$ 218	\$ 272	\$ -	\$ 1,702
Accounts receivable, net	33,724	20,245	6,115	(21,213)	38,871
Inventories	19,811	10,143	3,314	(11,296)	21,972
Other current assets	3,799	1,463	141	-	5,403
Total current assets	58,546	32,069	9,842	(32,509)	67,948
Property and equipment	11,001	61,941	3,567	(376)	76,133
Less accumulated depreciation	3,861	30,273	1,139	(282)	34,991
Net property and equipment	7,140	31,668	2,428	(94)	41,142
Other assets	80,578	123	7,524	(65,351)	22,874
Total assets	\$ 146,264	\$ 63,860	\$ 19,794	\$ (97,954)	\$ 131,964
Current liabilities	\$ 34,161	\$ 16,320	\$ 10,290	\$ (21,213)	\$ 39,558
Other liabilities	147,504	-	2,334	(1,988)	147,850
Total liabilities	181,665	16,320	12,624	(23,201)	187,408
Redeemable preferred stock	151,847	-	-	-	151,847
Total stockholders' (deficit) equity	(187,248)	47,540	7,170	(74,753)	(207,291)
Total liabilities, redeemable preferred stock and stockholders' (deficit) equity	\$ 146,264	\$ 63,860	\$ 19,794	\$ (97,954)	\$ 131,964

November 30, 2002

(in thousands)

	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	Total Consolidated
Cash	\$ 1,413	\$ (202)	\$ 10	\$ -	\$ 1,221
Accounts receivable, net	28,600	14,769	4,373	(15,517)	32,225
Inventories	19,786	11,353	2,840	(11,109)	22,870
Other current assets	2,922	1,720	82	-	4,724
Total current assets	52,721	27,640	7,305	(26,626)	61,040
Property and equipment	10,888	59,241	2,873	(377)	72,625
Less accumulated depreciation	3,582	26,538	778	(279)	30,619
Net property and equipment	7,306	32,703	2,095	(98)	42,006
Other assets	79,912	113	5,959	(65,178)	20,806
Total assets	\$ 139,939	\$ 60,456	\$ 15,359	\$ (91,902)	\$ 123,852
Current liabilities	\$ 31,217	\$ 15,248	\$ 9,214	\$ (15,517)	\$ 40,162
Other liabilities	158,613	-	2,248	(2,020)	158,841
Total liabilities	189,830	15,248	11,462	(17,537)	199,003
Redeemable preferred stock	140,283	-	-	-	140,283
Total stockholders' (deficit) equity	(190,174)	45,208	3,897	(74,365)	(215,434)
Total liabilities, redeemable preferred stock and stockholders' (deficit) equity	\$ 139,939	\$ 60,456	\$ 15,359	\$ (91,902)	\$ 123,852

For the Year Ended November 30, 2003

(in thousands)

	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	Total Consolidated
Net cash provided by operating activities	\$ 12,074	\$ 3,351	\$ 682	\$ (37)	\$ 16,070
Cash flows used in investing activities:					
Capital expenditures	(114)	(2931)	(133)	-	(3,178)
Net cash used in investing activities	(114)	(2931)	(133)	-	(3,178)
Cash flows (used in) provided by financing activities:					
Proceeds from bank debt	71,550	-	-	-	71,550
Principal payments on long term debt	(84,380)	-	(287)	37	(84,630)
Proceeds from exercise of stock option	424	-	-	-	424
Proceeds from sale of common stock through Employee Stock Purchase Plan	245	-	-	-	245
Net cash (used in) provided by financing activities	(12,161)	-	(287)	37	(12,411)
Net (decrease) increase in cash	(201)	420	262	-	481
Cash at beginning of year	1,413	(202)	10	-	1,221
Cash at end of year	\$ 1,212	\$ 218	\$ 272	\$ -	\$ 1,702

For the Year Ended November 30, 2002

(in thousands)

	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	Total Consolidated
Net cash provided by operating activities	\$ 17,322	\$ 2,702	\$ (517)	\$ (40)	\$ 19,467
Cash flows used in investing activities:					
Capital expenditures	(18)	(2,363)	(113)	-	(2,494)
Purchase of assets through Acquisition, net of cash acquired	(2,428)	-	-	-	(2,428)
Purchase of goodwill through acquisition	(4,450)	-	-	-	(4,450)
Net cash used in investing activities	(6,896)	(2,363)	(113)	-	(9,372)
Cash flows (used in) provided by financing activities:					
Proceeds from bank debt	50,300	-	-	-	50,300
Proceeds from bank debt for acquisition	7,000	-	-	-	7,000
Principal payments on long term debt	(67,815)	-	(25)	25	(67,815)
Proceeds from sale of common stock through Employee Stock Purchase Plan	361	-	-	-	361
Net cash (used in) provided by financing activities	(10,154)	-	(25)	25	(10,154)
Net (decrease) increase in cash	272	339	(655)	(15)	(59)
Cash at beginning of year	1,141	(541)	674	6	1,280
Cash at end of year	\$ 1,413	\$ (202)	\$ 19	\$ (9)	\$ 1,221

For the Year Ended November 30, 2001

(in thousands)

	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	Total Consolidated
Net cash provided by operating activities	\$ 15,294	\$ 1,281	\$ 1,443	\$ (25)	\$ 17,993
Cash flows used in investing activities:					
Capital expenditures	(264)	(2,512)	(20)	-	(2,796)
License-lighting technology	(3,220)	-	-	-	(3,220)
Purchase of assets through acquisition	-	-	(1,889)	-	(1,889)
Purchase of goodwill through acquisition	-	-	(3,965)	-	(3,965)
Net cash used in investing activities	(3,484)	(2,512)	(5,874)	-	(11,870)
Cash flows (used in) provided by financing activities:					
Proceeds from bank debt	36,800	-	-	-	36,800
Proceeds from bank debt for acquisition	-	-	5,900	-	5,900
Principal payments on long term debt	(51,715)	-	(831)	31	(52,515)
Proceeds from sale of common stock through Employee Stock Purchase Plan	155	-	-	-	155
Net cash (used in) provided by financing activities	(14,760)	-	5,069	31	(9,660)
Net (decrease) increase in cash	(2,950)	(1,231)	638	6	(3,537)
Cash at beginning of year	4,091	690	36	-	4,817
Cash at end of year	\$ 1,141	\$ (541)	\$ 674	\$ 6	\$ 1,280

Note 16: Change in Classification of Series A and B Preferred Stock

The Company has restated its consolidated balance sheets and statements of stockholders' deficit for all periods presented to change the classification of the Series A and B preferred stock, which were previously classified as permanent equity. The restatement reflects the change in classification of the Company's Series A and B preferred stock outside of permanent equity in the Company's consolidated balance sheets as redemption thereof is outside of the Company's control in accordance with the guidance of Emerging Issues Task Force Topic No. D-98 "Classification and Measurement of Redeemable Securities." The Company has also included amended disclosures related to preferred stock (See Notes 1 and 11) and has made appropriate reclassification in the guarantors' financial information (See Note 15). The changes in classification had no effect on the Company's previously reported net income, earnings per share or cash flows. The table below summarizes the effect of the change in classification.

	<u>As Reported</u>	<u>As Restated</u>
At November 30, 2003:		
Redeemable Preferred Stock		\$151,847
Stockholders' Deficit	\$(55,444)	\$(207,291)
At November 30, 2002:		
Redeemable Preferred Stock		\$140,283
Stockholders' Deficit	\$(75,151)	\$(215,434)
At November 30, 2001:		
Redeemable Preferred Stock		\$129,600
Stockholders' Deficit	\$(87,550)	\$(217,150)

Note 17: Selected Quarterly Financial Data (Unaudited)

A summary of selected quarterly information for 2003 and 2002 is as follows:

(in thousands except per share amounts)

2003 Quarter Ended	Feb. 28	May 31	Aug. 31	Nov. 30	Total*
Net Sales	\$ 43,523	\$ 49,981	\$ 52,033	\$ 55,029	\$ 200,566
Gross Profit	21,405	25,449	26,114	27,665	100,663
Net (Loss) Income					
Available to Common Shareholders	13	1,437	1,628	2,290	5,367
Net (Loss) Income Per Common Share					
(Basic and Diluted)	\$.01	\$.57	\$.64	\$.89	\$ 2.11

(in thousands except per share amounts)

2002 Quarter Ended	Feb. 28	May 31	Aug. 31	Nov. 30	Total*
Net Sales	\$ 41,406	\$ 46,376	\$ 45,520	\$ 48,468	\$ 181,770
Gross Profit	20,339	23,822	22,546	24,038	90,745
Net (Loss) Income					
Available to Common Shareholders	(2,550)	1,516	1,349	770	1,084
Net (Loss) Income Per Common Share					
(Basic and Diluted)	\$ (1.02)	\$.61	\$.53	\$.30	\$.43

*Due to rounding differences, the totals for the fiscal years ended November 30, 2003 and 2002 may not equal the sum of the respective items for the four quarters then ended.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

15 (a) (1). Financial Statements - Appear as part of Item 8 of this Form 10-K/A.

Supplementary Data

The supplementary data required by Item 302 of Regulation S-K is contained on page 29 of this Annual Report on Form 10-K/A

Report of Independent Auditors.

The Report of the Company's Independent Auditors, PricewaterhouseCoopers LLP, dated January 9, 2004, on the consolidated financial statements as of and for the fiscal years ended November 30, 2003, November 30, 2002, and November 30, 2001, is filed as a part of this Annual Report on Form 10-K/A on page 10.

15 (a) (2). Financial Statement Schedule:

The following financial statement schedule is submitted in response to this Item 15(a) 2 on page 35 of this Annual Report on Form 10-K/A.

Schedule II - Valuation and Qualifying Accounts and Reserves.

Report of Independent Auditors Relating to Schedule.

The Report of the Company's Independent Auditors, PricewaterhouseCoopers LLP, on the financial statement Schedule, insofar as the information therein relates to November 30, 2003 and November 30, 2002 and the fiscal years then ended, is filed as a part of this Annual Report on Form 10-K/A on page 31.

Schedules other than those noted above have been omitted because they are either inapplicable or the information is contained elsewhere in the Annual Report.

15 (a) (3). Exhibits

The exhibits filed with or incorporated by reference in this report are listed in the exhibit index.

15 (b) Reports on Form 8-K

On September 22, 2003, the Company filed a Form 8-K relating to a press release announcing the Company's results for the quarter ended August 31, 2003.

On October 22, 2003, the Company filed a Form 8-K relating to a press release announcing the approval of a stock repurchase program.

***Report of Independent Auditors on
Financial Statement Schedule***

To the Board of Directors
of Juno Lighting, Inc.

Our audits of the consolidated financial statements referred to in our report dated January 9, 2004, except for Note 16, as to which the date is April 14, 2004, appearing in the 2003 Annual Report to Shareholders of Juno Lighting, Inc. (which report and consolidated financial statements are incorporated in this Annual Report on Form 10-K/A) also included an audit of the financial statement schedule listed in Item 15(a)(2) of this Form 10-K/A. In our opinion, this financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PricewaterhouseCoopers LLP
Chicago, Illinois
April 14, 2004.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized on April 14, 2004.

JUNO LIGHTING, INC.

/s/ GEORGE J. BILEK

George J. Bilek
Executive Vice President,
Chief Financial Officer,
Secretary and Treasurer

EXHIBIT INDEX

The exhibits listed below, are filed with or incorporated by reference in (as noted below) this annual report on Form 10-K/A.

15	(a)	(3).	Exhibits	
			(i)	The following exhibits are filed herewith:
			11.1	Computations of Net Income Per Common Share.
			21.1	Subsidiaries of the Registrant.
			23.1	Consent of PricewaterhouseCoopers LLP.
			31.1	Rule 13a-14(a) certification of Chief Executive Officer
			31.2	Rule 13a-14(a) certification of Chief Financial Officer
			32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002 for T. Tracy Bilbrough.
			32.2	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002 for George J. Bilek.
			(ii)	The following exhibits are incorporated herein by reference or have been previously reported:
			2.1	Agreement and Plan of Recapitalization and Merger dated as of March 26, 1999 among Fremont Investors I, LLC, Jupiter Acquisition Corp., and Juno Lighting, Inc., filed as Exhibit 2 to the Company's Current Report on Form 8-K (SEC File No. 0-11631) filed with the Securities and Exchange Commission on March 29, 1999.
			2.2	Purchase Agreement dated June 24, 1999 by and among Juno Lighting, Inc., Juno Manufacturing, Inc., Indy Lighting, Inc., Advanced Fiberoptic Technologies, Inc., Banc of America Securities LLC and Credit Suisse First Boston Corporation, filed as Exhibit 1.1 to the Company's Registration Statement on Form S-4 (SEC File No. 0-11631) filed with the Securities and Exchange Commission on August 27, 1999.
			3.1	Amended and Restated Certificate of Incorporation, as amended, of Juno Lighting, Inc. filed as Exhibit 3.1 to the Company's Registration Statement on Form S-4 (SEC File No. 0-11631) filed with the Securities and Exchange Commission on August 27, 1999.
			3.2	By-Laws of Juno Lighting, Inc., as amended, filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K (SEC File No. 0-11631) for the fiscal year ended November 30, 1987.
		(a)	3.2	Amendment to By-Laws of Juno Lighting, Inc. filed as Exhibit 3.1 to the Company's quarterly report on Form 10-Q (SEC File No. 0-11631) for the quarter ended May 31, 1991.
			3.3	Certificate of Designation of Series B Convertible Preferred Stock of Juno Lighting, Inc. filed as exhibit 3.1 to the Company's Annual Report on Form 10-K (SEC File No. 0-11631) for the fiscal year ended November 30, 2000.
			4.1	Indenture, dated as of June 30, 1999, by and among Juno Lighting, Inc., Juno Manufacturing, Inc., Indy Lighting, Inc., Advanced Fiberoptic Technologies, Inc. and Firstar Bank of Minnesota, N.A., as Trustee for the 11 7/8% Senior Subordinated Notes due 2009, filed as Exhibit 4.1 to the Company's Registration Statement on Form S-4 (SEC File No. 0-11631) filed with the Securities and Exchange Commission on August 27, 1999.
			4.2	Registration Rights Agreement, dated as of June 30, 1999, by and among Juno Lighting, Inc., Juno Manufacturing, Inc., Indy Lighting, Inc., Advanced Fiberoptic Technologies, Inc., Banc of America Securities LLC and Credit Suisse First Boston Corporation, filed as Exhibit 4.2 to the Company's Registration Statement on Form S-4 (SEC File No. 0-11631) filed with the Securities and Exchange Commission on August 27, 1999.
			10.1	Juno Lighting, Inc. 1993 Stock Option Plan, as amended, filed as Exhibit 10.1 to the Company's quarterly report on Form 10-Q (SEC File No. 0-11631) for the quarter ended May 31, 1994.
			10.2	Juno Lighting, Inc. 401(k) Plan, Amended and Restated Effective December 1, 1999, executed June 30, 2000, filed as Exhibit 10.1 to the Company's quarterly report on Form 10-Q (SEC File No. 0-11631) for the quarter ended May 31, 2000.
		(a)	10.2	Juno Lighting, Inc. 401(k) Trust Agreement, effective July 1, 2000, executed June 28, 2000, filed as Exhibit 10.1(a) to the Company's quarterly report on Form 10-Q (SEC File No. 0-11631) for the quarter ended May 31, 2000.

- 10.2 (b)** Amendment to the 401(k) Trust Agreement with Juno Lighting, Inc. effective July 1, 2000, executed June 29, 2000, filed as Exhibit 10.1(b) to the Company's quarterly report on Form 10-Q (SEC File No. 0-11631) for the quarter ended May 31, 2000.
- 10.2 (c)** Juno Lighting, Inc. 401(K) Plan, Amended and Restated effective December 1, 1987, executed June 1, 1994.
- 10.2 (d)** Juno Lighting, Inc. 401(K) Trust, effective December 1, 1985, executed June 1, 1994.
- 10.2 (e)** Amendment to Juno Lighting, Inc. 401(K) Plan, effective September 1, 1994, executed September 12, 1994.
- 10.3** Management Services Agreement, dated as of June 30, 1999, by and between Juno Lighting, Inc. and Fremont Partners, L.L.C., filed as Exhibit 10.9 to the Company's Registration Statement on Form S-4 (SEC File No. 0-11631) filed with the Securities and Exchange Commission on August 27, 1999.
- 10.4** Credit Agreement, dated as of June 29, 1999, by and among Juno Lighting, Inc. and Bank of America, N.A., Credit Suisse First Boston Corporation and certain other lenders party thereto, filed as Exhibit 10.10 to the Company's Registration Statement on Form S-4 (SEC File No. 0-11631) filed with the Securities and Exchange Commission on August 27, 1999.
- 10.4 (a)** First Amendment to Credit Agreement, dated as of June 30, 2000 among Juno Lighting, Inc., Bank of America, N.A., Credit Suisse First Boston and certain other lenders party thereto filed as Exhibit 10.2 to the Company's Quarterly report on Form 10-Q (SEC File No. 0-11631) for the quarter ended May 31, 2000.
- 10.4 (b)** Second Amendment to Credit Agreement dated as of August 27, 2001, among Juno Lighting, Inc., Juno Lighting, Ltd., Bank of America, N.A., Credit Suisse First Boston and certain lenders party thereto filed as Exhibit 10.5(b) to the Quarterly report on Form 10-Q (SEC File No. 0-11631) for the quarter ended August 31, 2001.
- 10.5** 1999 Stock Award and Incentive Plan, filed as Annex D to the proxy statement/prospectus that formed a part of the Registration Statement on Form S-4 (SEC File No. 0-11631) filed with the Securities and Exchange Commission on May 28, 1999.
- 10.6** Juno Lighting, Inc. 2003 Incentive Plan, attached as Annex A to the proxy statement on Schedule 14A (SEC File No. 000-11631) filed with the Securities and Exchange Commission on May 13, 2003.
- 10.7** Juno Lighting, Inc. 1996 Employee Stock Purchase Plan, attached as Annex B to the proxy statement on schedule 14A (SEC File No. 000-11631) filed with the Securities and Exchange Commission on April 23, 2002.
- 16.1** The information has been previously reported in a Form 8 dated May 21, 1992 filed by the Company with the Securities and Exchange Commission on May 22, 1992(SEC File No. 0-11631).

JUNO LIGHTING, INC. AND SUBSIDIARIES
SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS

<i>(in thousands)</i>					
Column A	Column B	Column C	Column D	Column E	Column F
Description	Balance at beginning of period	Charged to costs and expenses	Deductions describe (a)	Other charges add (deduct) describe(b)	Balance at end of period
Deducted from assets to which they apply: Allowance for doubtful accounts:					
Year ended					
November 30, 2003	\$ 926	\$ 149	\$ 99	\$ 14	\$ 990
Year ended					
November 30, 2002	977	4	55	-	926
Year ended					
November 30, 2001	1,151	76	251	1	977

NOTE:

- (a) Write off of bad debts, less recoveries.
- (b) Foreign currency translation.

<i>(in thousands)</i>					
Column A	Column B	Column C	Column D	Column E	Column F
Description	Balance at beginning of period	Charged to costs and expenses	Deductions describe (a)	Other charges add (deduct) describe	Balance at end of period
Deducted from assets to which they apply: Reserve for Obsolescence:					
Year ended					
November 30, 2003	\$ 748	\$ 301	\$ 283	\$ -	\$ 766
Year ended					
November 30, 2002	670	710	632	-	748
Year ended					
November 30, 2001	518	389	237	-	670

NOTE:

- (a) Write off of obsolete inventory

Exhibit 11.1

**JUNO LIGHTING, INC. AND SUBSIDIARIES
COMPUTATIONS OF NET INCOME (LOSS) PER COMMON SHARE**

	2003	2002	2001
Average number of common shares outstanding during the year	2,545,298	2,513,785	2,481,928
Common equivalents: Shares issuable under outstanding options	-	-	-
Shares which could have been purchased based on the average market value for the period	-	-	-
Shares for the portion of the period that the options were outstanding	-	-	-
Average number of common and common equivalent shares outstanding during the year	2,545,298	2,513,785	2,481,928
NET INCOME (LOSS) available to common shareholders	\$ 5,367,221	\$ 1,084,178	\$ (525,900)
NET INCOME (LOSS) PER COMMON SHARE (Basic and Diluted)	\$ 2.11	\$.43	\$ (.21)

Exhibit 21.1

SUBSIDIARIES OF JUNO LIGHTING, INC.

Name of Subsidiary	State or Jurisdiction of Incorporation
Juno Manufacturing, Inc.	Illinois
Indy Lighting, Inc.	Indiana
Juno Lighting, Ltd.	Canada
Alfa Lighting, Inc.	California

Exhibit 23.1

Consent of Independent Auditors

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-93659) of Juno Lighting, Inc. of our report dated January 9, 2004, except for Note 16 (which describes a restatement of the financial statements to reflect a reclassification of preferred stock out of permanent equity), as to which the date is April 14, 2004, relating to the financial statements, which appears in the Annual Report to Shareholders, which is incorporated in this Annual Report on Form 10-K/A. We also consent to the incorporation by reference of our report dated April 14, 2004 relating to the financial statement schedule, which appears in this Form 10-K/A.

PricewaterhouseCoopers LLP
Chicago, Illinois
April 14, 2004

CERTIFICATION

I, T. Tracy Bilbrough, certify that:

1. I have reviewed this Amendment No. 1 to the annual report on Form 10-K of Juno Lighting, Inc., a Delaware corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered in this report based on such evaluation; and
 - c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function);
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: April 14, 2004

/s/ T. TRACY BILBROUGH
T. Tracy Bilbrough
Chief Executive Officer

CERTIFICATION

I, George J. Bilek, certify that:

1. I have reviewed this Amendment No. 1 to the annual report on Form 10-K of Juno Lighting, Inc., a Delaware corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered in this report based on such evaluation; and
 - c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function);
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: April 14, 2004

/s/ GEORGE J. BILEK
George J. Bilek
Executive Vice President,
Chief Financial Officer,
Secretary and Treasurer

**CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)**

I, T. Tracy Bilbrough, Chief Executive Officer of Juno Lighting, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Amendment No. 1 to the annual report on Form 10-K for the year ended November 30, 2003, as filed with the Securities and Exchange Commission on April 14, 2004 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Juno Lighting, Inc.

Dated: April 14, 2004

/s/ T. TRACY BILBROUGH
T. Tracy Bilbrough
Chief Executive Officer

**CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)**

I, George J. Bilek, Vice President, Finance of Juno Lighting, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Amendment No. 1 to the annual report on Form 10-K for the year ended November 30, 2003, as filed with the Securities and Exchange Commission on April 14, 2004 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Juno Lighting, Inc.

Dated: April 14, 2004

/s/ GEORGE J. BILEK
George J. Bilek
Executive Vice President,
Chief Financial Officer,
Secretary and Treasurer